

Cotter's 104(e)
response

Site:	West Lake Landfill
File #:	NW0079900932
Break:	11/6
Other:	Cotter's
	N/D

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Cotter Corporation is aware, however, that an investigation report published by the U.S. Nuclear Regulatory Commission (IE Investigation Report No. 76-01) alleges that material from the former Commercial Discount Corporation, 9200 Latty Avenue property was deposited by B&K Construction Company "...in an area adjacent to the office building [at West Lake Landfill]." Reference to the NRC report above is a courtesy to EPA and does not constitute Cotter's endorsement or adoption of this report or the information therein. Insofar as this request asks for information regarding these allegations, Cotter provides the following ownership information with regard to the various materials that were associated with the former Commercial Discount Corporation, 9200 Latty Avenue property.

In a letter dated June 10, 1960, the United States Atomic Energy Commission solicited a bid from Cotter Corporation for the "purchase and removal of certain items of uranium contaminated residues." These residues were identified as; 1) "Pitchblende Raffinate" (residue from processing Belgian Congo pitchblende, hereafter referred to as Congo raffinate); 2) "Colorado Raffinate"; 3) "Barium Sulfate Cake (Unleached)"; 4) "Barium Cake (Leached)"; and, 5) "Miscellaneous Residues." Cotter Corporation did not purchase these residues pursuant to this request for bids.

The United States Atomic Energy Commission published one or more subsequent invitations to bid for certain materials between 1960 and about 1965, including Invitation to Bid No. AT-(23-2)-53, dated August 3, 1964; Invitation to Bid No. AT-(23-2)-52, dated January 10, 1964; and, Invitation to Bid No. AT-(23-2)-46, dated March 7, 1962.

On or about February 25, 1966, the United States Atomic Energy Commission apparently sold certain materials to Continental Mining & Milling Co. (Continental), under Contract No. AT-(23-2)-56. Subsequently,

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SUPERFUND RECORDS

on or about September 26, 1966, Continental also purchased approximately 3500 tons of "C-liner slag" (C-slag) from the United States Atomic Energy Commission under "Modification No. 1" to the above contract. Upon information and belief, Continental transferred all of these materials to its property located at 9200 Latty Avenue; Hazlewood, Missouri. Copies of relevant documents found in Cotter's files are provided as a courtesy to EPA; however, Cotter makes no representations as to the authenticity or accuracy of these documents, nor does Cotter endorse or adopt the information therein.

Certain material and real property was subsequently transferred to Commercial Discount Corporation (CDC) on or about February 3, 1967, through foreclosure proceedings, as is evidenced by public documents apparently recorded in St. Louis County. Copies of relevant documents found in Cotter's files are provided as a courtesy to EPA; however, Cotter makes no representations as to the authenticity or accuracy of these documents, nor does Cotter endorse or adopt the information therein.

During the spring of 1967, it is apparent that Cotter was negotiating with CDC for the purchase of certain material owned by or in the custody of the United States Atomic Energy Commission. Cotter subsequently purchased certain quantities of the Congo raffinate, the Colorado raffinate, the C-slag, and the Unleached Barium Sulfate from CDC in an agreement dated June 9, 1967. Pursuant to paragraph 1(a) of this agreement, title to the materials purchased passed to Cotter upon delivery of the material to Cotter's facility in Canon City, Colorado.

By letter to Cotter Corporation from CDC's counsel dated July 25, 1969, CDC terminated the June 9, 1967 agreement.

A second agreement between CDC and Cotter was executed on or about August 7, 1969, in which Cotter purchased certain materials

Contract No. AT-(23-2)-56
CONTINENTAL MINING & MILLING CO.
Modification No. 1

SUPPLEMENT TO BILL OF SALE

WHEREAS, the UNITED STATES OF AMERICA (hereinafter called the "Government"), acting by and through the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter called the "Commission"), has heretofore conveyed to CONTINENTAL MINING & MILLING CO. (hereinafter called the "Purchaser"), a Delaware corporation, whose principal office is located at 203 South LaSalle Street, Chicago, Illinois, certain personal property located at St. Louis, Missouri, described in Bill of Sale, dated February 25, 1966, designated as Contract No. AT-(23-2)-56; and

WHEREAS, the Government desires to sell, and the Purchaser desires to buy, additional personal property similarly located;

NOW, THEREFORE, for and in consideration of the sum of Fourteen Thousand Dollars (\$14,000.00) cash in hand paid, receipt of which is acknowledged, the Government hereby bargains, sells, and conveys to the Purchaser approximately 3500 tons of C-liner slag stored on the east end of a Government-owned site located at 50 Brown Road, Robertson, Missouri, as shown on Drawing No. 6-1403-19 attached to the original Bill of Sale designated as Contract No. AT-(23-2)-56.

THIS SUPPLEMENTAL BILL OF SALE is subject to all of the terms and conditions of Bill of Sale, dated February 25, 1966, designated as Contract No. AT-(23-2)-56 as if incorporated herein except as follows:

a. The furnishing of an additional performance bond by the Purchaser is not required.

b. The material purchased under this Supplemental Bill of Sale shall be completely removed within the 400 calendar days prescribed in Paragraph 5. b. of Contract No. AT-(23-2)-56.

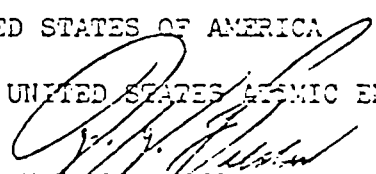
c. Payment of the purchase price in full shall be made by the Purchaser upon execution and delivery of this Supplemental Bill of Sale at which time title to the material sold hereunder shall pass to the Purchaser.

IN WITNESS WHEREOF, the United States Atomic Energy Commission has caused this Supplemental Bill of Sale to be executed in the name of and on behalf of the Government by its duly authorized representative this 26th day of September, 1966.

UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY:


F. H. Belcher
Area Manager
St. Louis Area Office

STATE OF MISSOURI 0
COUNTY OF ST. CHARLES 1

Before me, John R. Renshaw, a Notary Public of the State and County aforesaid, personally appeared F. H. Belcher, with whom I am personally acquainted, and who, upon oath, acknowledged himself to be a duly authorized representative of the United States Atomic Energy Commission, an Agency of the United States of America, and that he as such authorized representative, being duly authorized so to do,

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executed the foregoing instrument for the purposes therein contained by signing the name of the United States of America by the United States Atomic Energy Commission, by himself as such authorized representative.

Witness my hand and seal at office in Weldon Spring, St. Charles County, Missouri, this 24th day of October, 1966.

John L. Pimental
Notary Public

My commission expires the 24th
day of October, 1971.

Accepted this 23rd day of September, 1966, on the terms and conditions hereinabove set forth.

CONTINENTAL MINING & MILLING CO.

BY: J. H. ...

TITLE: Executive Vice President

ATTEST:


BY: J. H. ...

TITLE: Secretary

STANDARD FORM 25 JULY 1964 EDITION GENERAL SERVICES ADMINISTRATION FED. PROCUREMENT REG. (41 CFR) 101-11.601		PERFORMANCE BOND (See Instructions on reverse)		25-104 BOND EXECUTED (Must be dated on or later than date of contract) 2-28-66	
PRINCIPAL (Legal name and business address): Continental Mining & Milling Co. 208 South LaSalle Street Chicago, Illinois 60604			TYPE OF ORGANIZATION ("X" one) <input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> JOINT VENTURE <input checked="" type="checkbox"/> CORPORATION STATE OF INCORPORATION Delaware		
SURETY(IES) (Name(s) and business address(es)) Hartford Accident & Indemnity Company Hartford Plaza Chicago, Illinois 60600			PENAL SUM * 100 * MILLION(S) THOUSAND(S) HUNDRED(S) CENT(S) ----- Fifty ----- CONTRACT DATE CONTRACT NO. February 25, 1966 AT-(23-2)-56		
<p>KNOW ALL MEN BY THESE PRESENTS, That we, the Principal and Surety(ies) hereto, are firmly bound to the United States of America (hereinafter called the Government) in the above penal sum for the payment of which we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally: <i>Provided</i>, that, where the Sureties are corporations acting as co-sureties, we, the Sureties, bind ourselves in such sum "jointly and severally, as well as "severally" only for the purpose of allowing a joint action or actions against any or all of us, and for all other purposes each Surety binds itself, jointly and severally with the Principal, for the payment of such sum only as is set forth opposite the name of such Surety, but if no limit of liability is indicated, the limit of liability shall be the full amount of the penal sum.</p> <p>THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the Principal entered into the contract identified above;</p> <p>NOW, THEREFORE, if the Principal shall perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of said contract during the original term of said contract and any extensions thereof that may be granted by the Government, with or without notice to the Surety(ies), and during the life of any guaranty required under the contract, and shall also perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of it, and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the Surety(ies) being hereby waived, then the above obligation shall be void and of no effect.</p> <p>IN WITNESS WHEREOF, the Principal and Surety(ies) have executed this performance bond and have affixed their seals on the date set forth above.</p>					
PRINCIPAL					
Signature(s)		1. <i>Clemons M. Roark</i> (Seal)		2. (Seal)	
Name(s) & Title(s) (Typed)		1. Clemons M. Roark Vice President		2. (Seal)	
INDIVIDUAL SURETY(IES)					
Signature(s)		1. (Seal)		2. (Seal)	
Name(s) (Typed)		1. (Seal)		2. (Seal)	
CORPORATE SURETY(IES)					
Name & Address		Hartford Accident & Indemnity Company, Chicago, Illinois		Penal Sum \$0,000.00	
Signature(s)		1. <i>Donald Cleveland</i>		2. (Seal)	
Name(s) & Title(s) (Typed)		1. Donald Cleveland Attorney-in-Fact		2. (Seal)	

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CORPORATE SURETY (IES)					
SURETY B	Name & Address			STATE OF INC.	LIABILITY LIMIT
	Signature(s)	1.	2.		Corporate Seal
	Name(s) & Title(s) (If any)	1.	2.		
SURETY C	Name & Address			STATE OF INC.	LIABILITY LIMIT
	Signature(s)	1.	2.		Corporate Seal
	Name(s) & Title(s) (If any)	1.	2.		
SURETY D	Name & Address			STATE OF INC.	LIABILITY LIMIT
	Signature(s)	1.	2.		Corporate Seal
	Name(s) & Title(s) (If any)	1.	2.		
SURETY E	Name & Address			STATE OF INC.	LIABILITY LIMIT
	Signature(s)	1.	2.		Corporate Seal
	Name(s) & Title(s) (If any)	1.	2.		
SURETY F	Name & Address			STATE OF INC.	LIABILITY LIMIT
	Signature(s)	1.	2.		Corporate Seal
	Name(s) & Title(s) (If any)	1.	2.		
SURETY G	Name & Address			STATE OF INC.	LIABILITY LIMIT
	Signature(s)	1.	2.		Corporate Seal
	Name(s) & Title(s) (If any)	1.	2.		

BOND PREMIUM		RATE PER THOUSAND \$15.00	TOTAL \$750.00
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INSTRUCTIONS

1. This form is authorized for use in connection with contracts for construction work or the furnishing of supplies or services. There shall be no deviation from this form without approval by the Administrator of General Services.

2. The full legal name and business address of the Principal shall be inserted in the space designated "Principal" on the face of this form. The bond shall be signed by an authorized person. Where such person is signing in a representative capacity (e.g., an attorney-in-fact), he is not a member of the firm, partnership, or joint venture, or an officer of the corporation involved, evidence of his authority must be furnished.

3. (a) Corporations executing the bond as sureties must be among those appearing on the Treasury Department's list of approved sureties and must be authorized on the list to do so forth therein. Where more than a single corporate surety is involved, their names and addresses (city and State) shall be inserted in the spaces

(Surety A, Surety B, etc.) headed "CORPORATE SURETY (IES)", and in the space designated "SURETY (IES)" on the face of this form only the letter identification of the Sureties shall be inserted.

(b) Where individual sureties execute the bond, they shall be two or more responsible persons. A completed Affidavit of Individual Surety (Standard Form 28), for each individual surety, shall accompany the bond. Such sureties may be required to furnish additional substantiating information concerning their assets and financial capability as the Government may require.

4. Corporations executing the bond shall affix their corporate seals. Individuals shall execute the bond opposite the word "Seal" and, if executed in Maine or New Hampshire, shall also affix an adhesive seal.

5. The name of each person signing this performance bond should be typed in the space provided.

Hartford Accident and Indemnity Company
HARTFORD, CONNECTICUT

POWER OF ATTORNEY

Know all men by these Presents, That the HARTFORD ACCIDENT AND INDEMNITY COMPANY, a corporation duly organized under the laws of the State of Connecticut, and having its principal office in the City of Hartford, County of Hartford, State of Connecticut, does hereby make, constitute and appoint

ARTHUR A. NOLL and/or DONALD CLEVELAND,
of CHICAGO, ILLINOIS,

its true and lawful Attorney(s)-in-fact, with full power and authority to each of said Attorney(s)-in-fact, in their separate capacity if more than one is named above, to sign, execute and acknowledge any and all bonds and undertakings and other writings obligatory in the nature thereof on behalf of the company in its business of guaranteeing the fidelity of persons holding places of public or private trust; guaranteeing the performance of contracts other than insurance policies; guaranteeing the performance of insurance contracts where surety bonds are accepted by states and municipalities, and executing or guaranteeing bonds and undertakings required or permitted in all actions or proceedings or by law allowed, in penalties not exceeding the sum of FIVE HUNDRED THOUSAND DOLLARS

(\$500,000.00) each,

and to bind the HARTFORD ACCIDENT AND INDEMNITY COMPANY thereby as fully and to the same extent as if such bonds and undertakings and other writings obligatory in the nature thereof were signed by an Executive Officer of the HARTFORD ACCIDENT AND INDEMNITY COMPANY and sealed and attested by one other of such officers, and hereby ratifies and confirms all that its said Attorney(s)-in-fact may do in pursuance hereof.

This power of attorney is granted under and by authority of the following By-Law adopted by the Stockholders of the HARTFORD ACCIDENT AND INDEMNITY COMPANY at a meeting duly called and held on the 10th day of February, 1943.

ARTICLE IV

SECTION 8. The President or any Vice-President, acting with any Secretary or Assistant Secretary, shall have power and authority to appoint, for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, one or more Resident Vice-Presidents, Resident Assistant Secretaries and Attorneys-in-fact and at any time to remove any such Resident Vice-President, Resident Assistant Secretary, or Attorney-in-fact, and revoke the power and authority given to him.

SECTION 11. Attorneys-in-fact shall have power and authority, subject to the terms and limitations of the power of attorney issued to them, to execute and deliver on behalf of the Company and to attach the seal of the Company thereto any and all bonds and undertakings, and other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-fact shall be as valid as if signed by an Executive Officer and sealed and attested by one other of such Officers.

This power of attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Directors of the HARTFORD ACCIDENT AND INDEMNITY COMPANY at a meeting duly called and held on the 13th day of March, 1956.

RESOLVED, that, whereas the President or any Vice-President, acting with any Secretary or Assistant Secretary, has the power and authority to appoint by a power of attorney, for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, one or more Resident Vice-Presidents, Assistant Secretaries and Attorneys-in-fact,

STATE OF ILLINOIS.

COUNTY OF COOK.

ss.

On this 28th day of February, 1966, before me, a notary public,

within and for said County and State, personally appeared Donald Cleveland to me personally known, who being duly sworn, upon oath did say that he is the Attorney-in-fact of and for the HARTFORD ACCIDENT AND INDEMNITY COMPANY, a corporation of Hartford, Connecticut, created, organized and existing under and by virtue of the laws of the State of Connecticut; that the corporate seal affixed to the foregoing within instrument is the seal of the said Company; that the seal was affixed and the said instrument was executed by authority of its Board

of Directors; and the said Donald Cleveland did acknowledge that he executed the said instrument as the free act and deed of said Company.

Form 8-3223-1 (1-1-66) C.T.S.A.

STATE OF CONNECTICUT.

COUNTY OF HARTFORD.

ss.

CERTIFICATE

I, the undersigned, Assistant Secretary of the HARTFORD ACCIDENT AND INDEMNITY COMPANY, a Connecticut Corporation, DO HEREBY CERTIFY that the foregoing and attested POWER OF ATTORNEY bears its full faith and credit, and furthermore, that Article IV, Sections 8 and 11, of the By-Laws of said Company, and the Resolution of the Board of Directors, set forth in the Power of Attorney, is now in force.

Signed and sealed at the City of Hartford. Dated the 28th day of February, 1966



W. K. Boyer Jr.

AL 2104

BILL OF SALE

FOR AND IN CONSIDERATION of the sum of One Hundred Twenty-six Thousand, Five Hundred Dollars (\$126,500.00) cash in hand, receipt of which is hereby acknowledged, the UNITED STATES OF AMERICA (hereinafter called the "Government"), acting by and through the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter called the "Commission"), hereby bargains, sells, and conveys to CONTINENTAL MINING & MILLING CO., a Delaware corporation, whose principal office is located at 205 S. LaSalle Street, Chicago, Illinois (hereinafter called the "Purchaser"), the following described personal property presently stored on a Government-owned site located at 50 Brown Road, Robertson, Missouri, immediately north of St. Louis Airport, subject to the terms and conditions outlined herein:

<u>Description</u>	<u>Approximate Quantity</u>
Pitchblende Raffinate	74,000 tons
Colorado Raffinate	32,500 tons
Barium Sulfate Cake	1,500 tons
Barium Cake	8,700 tons
Miscellaneous Residues	350 tons (stored in deteriorated drums)

SALE TERMS AND CONDITIONS1. Quantities to Be Removed

a. All materials lying within the cross-hatched areas shown on Drawing No. 6-1403-19, which is attached hereto and made a part hereof, shall be removed by the Purchaser. If advantageous to the Purchaser, any residues lying immediately outside the cross-hatched areas may be removed.

b. All residues above ground level shall be removed within the cross-hatched areas. In case of disagreement on ground level elevations, they shall be established by producing 2' contours from elevations taken along perimeter fence and assuming there is uniform change in elevations along the north-south grid line. If advantageous to the Purchaser, residues and/or contaminated earth below determined ground level may be removed.

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c. Stone and other debris contained in the residue piles may be left on the site in designated areas established by the Contracting Officer. Upon completion of the Purchaser's removal operation, the area shall be left in a graded condition providing drainage to the west end of the property.

2. Site Facilities. The existing railroad spur, loading dock and tipple, covered storage area, office and changehouse will be available for use by the Purchaser without charge. Electric power and water are available at the site at the Purchaser's expense.

3. Condition of Material. All material listed herein is sold "as is". The description of the material is based on the best information available to the Government. However, the Government makes no warranty, express or implied, as to quantity, kind, character, quality, weight, size, or description of the material, or as to the content of rare earths, uranium, or other metals. Neither the Government, the Commission, nor persons acting on behalf of the Commission warrant the materials sold to the Purchaser under this contract (i) will not result in injury or damage when used for any purpose, or (ii) are of merchantable quality, or (iii) are fit for any particular purpose.

4. License Requirements. The material sold hereunder contains more than 0.05% uranium and therefore constitutes source material subject to licensing requirements and regulations promulgated by the Commission pursuant to the Atomic Energy Act of 1954, as amended (42 U.S.C. 2011). Accordingly, the Purchaser must obtain a license and comply with regulations pertaining to source material as published in 10 Code of Federal Regulations, Parts 20 and 40, prior to taking possession of the material sold hereunder.

5. Notice to Proceed with Removal and Time for Removal

a. The Government will issue a notice to proceed with removal of the material sold hereunder upon payment of the purchase price, the furnishing of a performance bond as required herein, and the securing of a license by the Purchaser as required by Paragraph 4 hereof. The Purchaser shall not be entitled to possession of the material until issuance of the notice to proceed.

b. After issuance of the notice to proceed the Purchaser shall remove the material sold hereunder at the rate of not less than 15% within 100 calendar days (calculated from such date of issuance); 50% within 200 calendar days; 75% within 300 calendar days; and 100% within 400 calendar days, unless otherwise approved by the Commission.

c. It is understood that the barium cake may be removed prior to removal of the remaining residues, but that the remainder of the residues will be removed pursuant to a reasonable schedule so as to eliminate the possibility of removal of only the residues which contain the more valuable materials.

6. Performance Bond. The Purchaser shall furnish a Performance Bond in the penal sum of \$50,000 with good and sufficient sureties acceptable to the Commission on United States Standard Form No. 25.

7. Payment. Payment of the purchase price in full shall be made by the Purchaser to the United States Atomic Energy Commission upon execution and delivery of this Bill of Sale.

8. Title. Title to the material sold hereunder shall pass to the Purchaser upon payment of the purchase price and the furnishing of Performance Bond as required herein.

9. Loading and Removal. As is provided herein, the material sold hereunder is sold "as is, where is", and all of the costs of loading, removal, and site cleanup shall be borne by the Purchaser.

10. Responsibility for Property. The Purchaser assumes full responsibility for the care and custody of the material sold hereunder after passage of title.

11. Entire Agreement. The materials sold hereunder are the same materials previously offered for sale under United States Atomic Energy Commission Invitation For Bid No. AT-(23-2)-53, dated August 3, 1964, Invitation For Bid No. AT-(23-2)-52, dated January 10, 1964, and Invitation For Bid No. AT-(23-2)-4 dated March 7, 1962, in response to which a bid in the amount of ^{\$126,500}~~\$116,500~~ was received from Contemporary Metals Corporation, a wholly owned subsidiary of the Purchaser hereunder. This Bill of Sale, however, is a negotiated sale and is not executed in response to said invitations for bid. It is expressly understood

and agreed by the Purchaser that this Bill of Sale constitutes the entire agreement; that there are no prior agreements, understandings, or covenants between the Government and the Purchaser of any kind, nature, or description, express or implied, oral or written, which are not set forth herein; and that this document cannot be altered, modified, amended, or changed, nor any provision thereof waived or abrogated except by mutual agreement of the parties.

12. Sale of Personal Property Only. Nothing herein shall be deemed to convey any right, title, or interest in the Government-owned land on which the materials sold hereunder are stored other than the permission to utilize and occupy said land for the purpose of removal of the material sold hereunder during the period of time allowed for said removal, or any authorized extension of said period.

13. Covenant Against Contingent Fees. Purchaser warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Purchaser for the purpose of securing business. For breach or violation of this warranty, the Government shall have the right to annul this contract without liability or in its discretion to recover from the Purchaser the amount of such commission, percentage, brokerage, or contingent fee, in addition to the consideration herein set forth.

14. Officials Not to Benefit. No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

15. Disputes

a. Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed

of by agreement shall be decided by the Contracting Officer, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Purchaser. The decision of the Contracting Officer shall be final and conclusive unless, within thirty (30) days from the date of receipt of such copy, the Purchaser mails or otherwise furnishes to the Contracting Officer a written appeal addressed to the Commission. The decision of the Commission or its duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this clause, the Purchaser shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Purchaser shall proceed diligently with the performance of the contract and in accordance with the Contracting Officer's decision.

b. This Disputes clause does not preclude consideration of law questions in connection with decisions provided for in Paragraph a, above; provided, that nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

16. Default. It is agreed by the parties that removal of the ore residues to which title is herein transferred to the Purchaser from the site is of the essence of this sale contract. If the Purchaser breaches the contract by failing to remove such material as required by the terms of the contract, the Government may send the Purchaser a thirty- (30) day written notice of default (calculated from the date of mailing). Upon Purchaser's failure to cure such default within such period (or such further period as the Government may allow) the Government, at its discretion, is authorized to sell the ore residues for the account of the Purchaser, less expenses incident to sale, or to effect the removal of the Purchaser's property at the cost and expense of the Purchaser, including, but not limited to, the cost

of transportation, cartage, and storage.. In the event of removal, the Government shall have a lien on such property for all costs resulting from such removal. Such removal may be made to a site or sites owned by the Government or acquired under rental or lease agreement for the purpose of storing said residues. In either event, the Purchaser agrees to pay a reasonable rental for such site. In any event, if the Purchaser fails to remove the property regardless of where it is located within a period of twelve (12) months from the date of notice of default (or such further time as the Government may allow), the Government may at its option, exercised by notice to the Purchaser, take title to the property and the Purchaser shall lose all right, title, and interest in and to the property as to which default has occurred. This Default article shall not be construed to waive any other rights or remedies as may be provided by law for default.

17. Definitions. As used in this Bill of Sale:

a. The term "Contracting Officer" means the person executing this document on behalf of the Government and includes his successors or any duly authorized representative of such person.

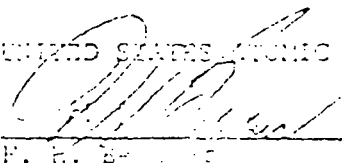
b. The term "Commission" means the United States Atomic Energy Commission or any duly authorized representative thereof, including the Contracting Officer, except for the purpose of deciding an appeal under Paragraph 15 hereunder entitled "Disputes".

c. The words "residues", "property", and "materials" are used interchangeably throughout this document and refer to the personal property described on page 1 in the introductory paragraph of this document.

IN WITNESS WHEREOF, the United States Atomic Energy Commission has caused this Bill of Sale to be executed in the name of and on behalf of the Government by its duly authorized representative this 25th day of February, 1966.

UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: 
F. H. B. [unclear]
Area Manager
St. Louis Area Office

DUPLICATE

STATE OF MISSOURI

COUNTY OF ST. CHARLES

Before me, John E. Ranshaw, a Notary Public of the State and County aforesaid, personally appeared F. H. Belcher, with whom I am personally acquainted, and who, upon oath, acknowledged himself to be a duly authorized representative of the United States Atomic Energy Commission, an Agency of the United States of America, and that he as such authorized representative, being duly authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the United States of America by the United States Atomic Energy Commission, by himself as such authorized representative.

Witness my hand and seal at office in Weldon Spring, St. Charles County, Missouri, this 27th day of February, 1966.

John E. Ranshaw
Notary Public

My commission expires the 27th
day of February, 1967.

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the terms and conditions hereinabove set forth.

By

ATTACH:

Notary Public

D E P L I C A T E

RESIDUE PURCHASE AGREEMENT

This Agreement is made and entered into as of the 9th day of June, 1967, by and between COMMERCIAL DISCOUNT CORPORATION, a Delaware corporation, herein called "Seller," and COTTER CORPORATION (N.S.L.), a New Mexico corporation, herein called "Buyer."

A. Recitals:

1. Seller owns in excess of 54,000 dry tons of mineral residue located at 9200 Latty Avenue, Hazelwood, Missouri. The total amount of such mineral residue located on such site and described in Exhibit A as Congo Raff, Colorado Raff., C-Slag and Barium Sulfate, together with all mineral values contained therein, is herein referred to as the "residue."

2. Buyer is the owner and operator of a mineral processing plant near Canon City, Colorado, herein referred to as the "plant."

3. Seller and Buyer desire to enter into this agreement under the terms of which, Seller will have the obligation to deliver the residue at the point of delivery hereinafter defined, and Buyer will have the exclusive right and obligation to purchase the residue, in accordance with the terms and conditions of this agreement.

B. Agreement:

In consideration of the mutual covenants herein provided to be kept and performed, Seller and Buyer agree as follows:

1. Warranty of Title:

(a) Seller warrants that at the time of delivery of the residue, or any portion thereof, to the Buyer at the point of delivery in Canon City, Colorado, it will have good and marketable title to the residue, free and clear of all royalties,

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overriding royalties, production payments, mortgages, liens, encumbrances, claims or demands of any nature.

(b) Seller agrees to indemnify Buyer and hold it harmless from all suits, actions, damages, costs, liabilities, losses, claims and demands arising from or related to claims of third parties against the residue, or to taxes, license fees or charges thereon attributable to the period prior to delivery.

2. Crushing and Shipping:

(a) All residue to be delivered to Buyer hereunder shall be of a size sufficient to pass through a grizzly with openings 12 inches square. Residue which is in accordance with this paragraph shall be loaded into railroad cars which are in condition sufficient to prevent loss of residue in transit. In the event residue is lost in transit, Buyer shall have no claims nor rights against Seller for such loss except to the extent the amount of payment as provided herein would be reduced by delivery of less residue because of such loss in transit.

(b) Such cars of residue shall be shipped to Santa Fe Track No. 32, Nonack Mine Siding at Canon City, Colorado, or to such other delivery point at Canon City, Colorado, as Buyer may designate in writing, herein called the point of delivery; provided, that no such change in point of delivery shall increase freight costs to Seller.

(c) The initial shipment of residue shall be delivered to the point of delivery no later than July 1, 1967. Commencing with the month next following the month in which the initial delivery of residue is made, Seller shall deliver to Buyer at the point of delivery a minimum of 6,500 tons of residue each calendar month until the total amount of the residue has been delivered; provided that all of the residue shall be delivered no later than December 31, 1970, and the last month's shipments may be less than 6,500 tons.

(d) Seller shall pay all costs and charges incurred in connection with the shipping and delivery of the residue at the point of delivery and Seller shall be reimbursed therefor by the Buyer to the extent and as provided for in Paragraph 7 below.

(e) Buyer shall pay all demurrage and all costs and charges incurred in unloading the residue at the point of delivery and in transporting the residue to the plant. Buyer will unload and transport the residue in a workmanlike manner using methods designed to prevent unnecessary waste of the residue.

3. Metallurgical Characteristics and Grade of Residue:

Buyer agrees to accept delivery and pay for all residue delivered by Seller during any calendar month in accordance with the provisions of Paragraphs 5(b), 6 and 7 below.

4. Determination of Dry Weight and U₃O₈ Content:

(a) The residue will be transported from the Nonack Mine Siding to the plant by Buyer's trucks. The net weight of each truck load of residue shall be determined by weighing each truck, loaded and empty, on scales to be provided by Buyer at the plant. A receipt for each such delivery shall be furnished to Seller showing the net ton weight of the residue. Representative samples of each truck load shall be taken at the time of weighing or as soon thereafter as possible, and the moisture content determined in Buyer's laboratory by methods generally employed in the industry, thereby establishing the dry weight of each truck load. A receipt showing the dry weight of each load shall be furnished to Seller as soon as practicable after the dry weight has been established.

(b) The residue shall be accumulated by Buyer into lots of not less than 150 tons each and not more than 250 tons each sampled and assayed as herein provided, except that

the final lot may be smaller or larger than such limits. Buyer shall sample the residue by methods presently employed by it in accordance with contractual requirements imposed upon Buyer by the Atomic Energy Commission or by any other method agreed upon by the parties. A representative portion of each sample of each lot of residue will be divided into four pulps and distributed as follows: Seller or his representative will receive one pulp; Buyer will retain one pulp; the remaining two pulps will be reserved by Buyer for possible umpire analysis. Buyer shall make, or cause to be made, an assay of Buyer's pulp for U_3O_8 content. Seller may assay his pulp, but if he fails to make an assay, the assay of Buyer shall be accepted as final. If both parties make assays, the results of Buyer's assay and Seller's assay of the respective sample pulps shall be exchanged by crossing certified mail. Both parties hereby agree that such cross mailings shall be made by each party by mailing assay reports on the 10th day of each month or on the business day next following in the event the 10th day falls on a Saturday, Sunday or holiday. If the average per cent deviation between the assays as to U_3O_8 content is 4.00 per cent or less, then the average of the assays shall be final. If the average per cent deviation between the assays as to U_3O_8 content is greater than 4.00 per cent, then one of the pulps of the sample held in reserve shall be submitted to any mutually accepted laboratory for umpire assay. Any such umpire assay shall be final if within the limits of the assays of Buyer and Seller. If not, the assay which is nearer to that of the umpire assay shall prevail. The party whose assay is furthest from that of the umpire shall pay the cost of the umpire assay. In the event the umpire assay is equally distant from the assay of each party, cost of the assay shall be split equally. The U_3O_8 content thus determined shall, for all purposes, be the U_3O_8 content of the lot of residue to which such determination relates.

5. Milling of Residue:

(a) Buyer is now constructing and shall complete an acid treatment circuit in the plant. Upon the completion and testing of such circuit Buyer shall process a minimum of 9,000 tons of the residue during each three month period until all of the residue has been processed.

(b) If Buyer has processed the residue in accordance with Subparagraph (a) above and has paid for the U_3O_8 as herein provided and thereafter Buyer elects further to process the residue Buyer shall have no obligation to pay Seller for any additional U_3O_8 recovered from such further processing.

6. Settlement and Payment for U_3O_8 .

(a) All residue delivered during any calendar month and accepted by Buyer, shall be weighed, sampled and assayed as herein provided, and shall be referred to herein as a " U_3O_8 settlement lot." On or before the 20th day of the month following the month in which a U_3O_8 settlement lot is delivered, Buyer shall notify Seller of the value of such U_3O_8 settlement lot. The value of such U_3O_8 settlement lot shall be determined by multiplying \$3.00 by the number of contained pounds of U_3O_8 shown by assay as above provided. On or before the 20th day of any month following the month during which any U_3O_8 is recovered from the U_3O_8 settlement lot, or any portion thereof, Buyer shall pay to Seller \$3.00 for each pound of U_3O_8 so recovered.

(b) Within twenty-four months from the time the Seller is notified of the value of a U_3O_8 settlement lot determined in accordance with (a) above, if Buyer has recovered and paid for less than 90% of said value of U_3O_8 contained in such settlement lot, Buyer shall pay to Seller an amount equal to the difference between the amount previously paid to Seller for such settlement lot and 90% of said value of U_3O_8 contained in such settlement lot.

7. Settlement and Payment for other Values:

(a) All residue delivered during any calendar month shall be weighed, sampled and assayed as herein provided, and, in addition to being referred to herein as a "U₃O₈ settlement lot" shall also for purposes of this paragraph be referred to as a "supplemental settlement lot." The value of the supplemental settlement lot shall be in addition to the value of the U₃O₈ settlement lot. The value of such supplemental settlement lot shall be determined by multiplying \$5.00 times the number of tons of residue shipped by Seller as confirmed by copies of the weigh bills relating to such shipments as provided by the shipping railroad. On or before the 20th day of any month following the month during which the supplemental settlement lot or any portion thereof was processed through the acid circuit Buyer shall pay to Seller for such processed supplemental settlement lot an amount equal to \$5.00 for each dry ton of such supplemental settlement lot processed through the acid circuit.

(b) Within 24 months from the time the Buyer receives a supplemental settlement lot, Buyer shall pay to Seller an amount equal to the value of such supplemental settlement lot as determined above, less the amount of any payment made to Seller for any portion of the supplemental settlement lot processed through the acid circuit.

8. Seller's Representative on Buyer's Premises:

Buyer agrees to permit an agent of Seller to enter Buyer's premises at any time during the term of this agreement and be permitted to inspect and review all actions to be performed by Buyer hereunder and to inspect and copy during normal office hours such records as are required by Seller to verify Buyer's performance hereunder.

9. Assignment of Agreement:

Buyer shall not transfer or assign its rights under

the terms of this agreement without the written consent of Seller, which consent will not be unreasonably withheld; provided, that if Buyer shall merge into or become consolidated with another corporation, Seller's consent to assignment shall not be required if (a) the corporation surviving such merger or consolidation, assumes in writing the Buyer's obligations hereunder; and (b) the corporation surviving such merger or consolidation shall, in the judgment of Seller, be financially capable to perform Buyer's obligations under this agreement.

10. Force Majeure:

If either party is rendered unable wholly or in part by force majeure to carry out its obligations under this agreement, such party so unable to perform shall give to the other party prompt written notice of the force majeure with reasonably full particulars concerning it. Thereupon the obligations of the party asserting force majeure so far as they are affected by the force majeure shall be suspended during the continuance of the force majeure. The party asserting force majeure shall use all possible diligence to remove the force majeure as quickly as possible. However, the requirement that any force majeure shall be removed with all reasonable dispatch shall not require the settlement of strikes, lockouts or other labor difficulties by either party contrary to its wishes. How such difficulty shall be handled shall be entirely within the discretion of the party asserting force majeure for such reasons. The term "force majeure" as used herein shall mean an act of God, strike, lockout, or other industrial disturbance, act of the public enemy, war, blockade, riot, lightning, fire, storm, flood, explosion, governmental restraint, unavailability of equipment (including, without limitation, however, railroad equipment and trackage) if such unavailability of equipment is not caused by the fault of the party asserting such event of force majeure, action by the United

or the government of any State
States government ~~through the Atomic Energy Commission or any other agency~~ regulating or interfering in any way with any of the parties' rights and obligations under this agreement, and any other cause whether of the kind specifically enumerated above or otherwise which is not reasonably within the control of the parties. The financial inability of either party to perform hereunder shall not be deemed a force majeure.

11. Arbitration:

The parties hereby submit all controversies, disputes, claims and matters of difference to arbitration in Denver, Colorado, according to the rules and practices of The American Arbitration Association from time to time in force, except that if such rules and practices shall conflict with the Colorado Rules of Civil Procedure or any other provision of Colorado law then in force, such Colorado rules and provisions shall govern. Each controversy shall be determined by three arbitrators unless, prior to submission of such controversy to The American Arbitration Association, the parties hereto agree in writing that the number of arbitrators shall be less than three. The arbitrators shall be chosen according to the rules and practices of The American Arbitration Association at the time in force when such controversy is submitted. This submission and agreement to arbitrate shall be specifically enforceable. The following shall be considered controversies for this purpose:

- (a) All questions relating to the breach of any obligations, representation, warranty or condition hereunder;
- (b) All questions relating to representations, negotiations and other proceedings leading to the execution hereof;
- (c) Failure of any party to deny or reject a claim or demand of any other party;
- (d) All questions as to whether the right to arbitrate any question exists. Arbitration may proceed in the absence

of any party if notice of the proceedings has been given to such party in accordance with the provisions of this agreement relating to notice. The parties agree to abide by all awards rendered in such proceedings. Such awards shall be final to the extent and in the manner provided by the Colorado Rules of Civil Procedure. All awards may be filed with the Clerk of the District Court in Denver, Colorado, and, at the election of the party making such filing, with the clerk of one or more other courts, state or federal, having jurisdiction at the domicile of the person against whom such award is rendered, or over the place where any of his property is located, or otherwise having jurisdiction over such party or his property. Judgment or a decree of any kind may be entered on such award in all such courts. Execution may issue thereon and such judgments and decrees shall otherwise be enforceable in the same manner as any other judgment or decree of such courts. Consent is hereby given to the jurisdiction of the courts of the State of Colorado and the United States District Court for the District of Colorado over the parties hereto in reference to any matter arising out of the foregoing arbitration or this agreement. This agreement and such awards shall also be enforceable pursuant to the laws of any other state or government (including the United States) which may acquire jurisdiction, including but not limited to the confirmation of award wherever rendered and the enforcement thereof by entry of judgment thereon.

12. Notices:

All notices or instructions required to be given under the terms hereof shall be in writing and shall be validly and sufficiently made and given if mailed, postage prepaid, by certified mail, to Buyer at Roswell, New Mexico, and Post Office Box 571, Canon City, Colorado 81212, or to Seller at 105 W. Adams, Chicago, Illinois 60603.

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13. Construction of Agreement:

This agreement shall be deemed to be a contract under the laws of the State of Colorado and for all purposes shall be construed in accordance with such laws.

14. Entire Agreement:

This instrument sets forth the entire agreement between the parties. No provision of this agreement may be altered, amended, revoked or waived except by an instrument in writing signed by the party sought to be charged with such amendment, revocation or waiver.

15. Binding Effect:

This agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

IN WITNESS WHEREOF this agreement has been executed as of the day and year first above written.

ATTEST:

COMMERCIAL DISCOUNT CORPORATION

Secretary

By _____
President

SELLER

ATTEST:

COTTER CORPORATION (N.S.L.)

Secretary

By _____
Executive Vice President

BUYER

EXHIBIT AORE RESIDUES LOCATED AT 9200 LATTY AVE., HAZELWOOD, MO.

Residue	Density in lb./cu. yd. (1)	Cubic Yards (2)	Wet Tons (1&2)	Moisture content % (1&3)	Dry Tons	U ₃ O ₈ (3) %	Contained lbs.	Recovery of U ₃ O ₈ (3) %	lbs.
Congo Raff.	2380	59,769	71,125	48.0%	36,985	0.36	266,000	90%	239,400
Colorado Raff.	2380	19,718	23,464	45.0%	12,905	0.31	80,000	90%	72,000
C-Slag	2192	3,957	4,338	18.5%	3,535	1.2	84,600	90%	76,140
Unleached Barium Sulfate	3243	538	872	14.0%	750	1.0	15,000	90%	13,500
Totals			99,799		54,175		445,600		<u>401,040</u>

Sources:

- (1) Reitz & Jens, St. Louis, Mo. - consulting engineers
- (2) Stolwyk, McDaniel, Ferrenbach, Inc., St. Louis, Mo. - engineers, planners & Surveyors
- (3) Colorado School of Mines Research Foundation, Inc. - Golden, Colorado